

Message Text

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ACTION EA-09

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

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R 090235Z JUL 76

FM AMEMBASSY KUALA LUMPUR

TO SECSTATE WASHDC 3931

INFO AMEMBASSY BANGKOK

AMEMBASSY CANBERRA

AMEMBASSY JAKARTA

AMEMBASSY MANILA

AMEMBASSY SINGAPORE

AMEMBASSY WELLINGTON

CINCPAC

C O N F I D E N T I A L SECTION 1 OF 2 KUALA LUMPUR 3930

E.O. 11652: GDS

TAGS: PINS, MY

SUBJECT: ANNUAL UMNO MEETINGS: PRELIMINARY ASSESSMENT

REF: KUALA LUMPUR 3807 (NOTAL)

1. SUMMARY: FOUR DAY OF MEETINGS IN KUALA LUMPUR JULY 1-4 OF
UNITED MALAY'S NATIONAL ORGANIZATION (UMNO) AND IT'S YOUTH AND WOMEN'
S

DIVISIONS PROVIDED VENUE FOR CONSIDERABLE VERBAL PYROTECHNICS OVER
HANDLING OF EXPULSION OF POPULIST POLITICAL FIGURE DATUK HARUN IDRIS
FOR BREACHES OF PARTY DISCIPLINE. ANTI-COMMUNIST THEME, INTRODUCED
BY DEPUTY PRIME MINISTER MAHATHIR AND WHICH DOMINATED SESSIONS, WAS
SEIZED BY HARUN PARTISANS AND USED TO ATTACK OPPONENTS WITHIN UMNO,
INCLUDING PRIME MINISTER HUSSEIN ONN. AT THIS POINT, GIVEN THE
VOLUME OF VERBIAGE AND THE FEELING THAT MUCH OF THE PROCEEDINGS MIGHT
BE CATEGORIZED AS "FULL OF SOUND AND FURY, SIGNIFYING NOTHING," OUR
CONCLUSIONS ARE TENTATIVE. THIS MESSAGE CONVEYS WHAT WE
PERCEIVE TO BE THE HIGHLIGHTS OF THESE SESSIONS, AND SOME
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PRELIMINARY CONCLUSIONS. END SUMMARY.

2. JULY 1 UMNO YOUTH AND WOMEN'S DIVISION ("WANITA" UMNO") MEETINGS WERE REPORTED REFTEL. UMNO INSIDERS CLOSE TO THE PM ARE STILL SURPRISED BY VICTORY OF HARUN SUPPORTERS TAN SRI SYED JAAFAR ALBAR AND HAJI SUHAIMI IN UMNO YOUTH ELECTIONS. PREVAILING VIEW IS THAT JAAFAR'S POLITICAL FORTUNES HAVE BEEN RESURRECTED BY HIS "PRESCIENCE" FOR CHARGING PUBLICLY IN MARCH THAT PROMINENT JOURNALIST SAMAD ISMAIL, NOW DETAINED FOR ALLEGED COMMUNIST ACTIVITIES, WAS A COMMUNIST. EXULTING IN JAAFAR'S SUCCESS, FORMER PRIME MINISTER TUNKU ABDUL RAHMAN WROTE IN HIS COLUMN IN THE "STAR" ON JULY 5 THAT THE VICTORY OF HIS "VERY STRAIGHT AND OUTSPOKEN FRIEND" CAME AS NO SURPRISE AS HE THE TUNKU HAD A FEELING THAT THE UM NO YOUTH WERE WORRIED ABOUT THE WAY THINGS ARE GOING IN THE PARTY AND THEY HAD A VERY STRONG SUSPICION THAT THE PRIME MINISTER IS NOT GETTING THE BENEFIT OF THE BEST ADVICE; THAT SOMEHOW THE POLITICAL TRENDS IN UMNO WERE VEERING TO THE LEFT. "THE TUNKU ADDED THAT "THERE IS A FEAR THAT SOME PEOPLE, NOT UMNO AT HEART, ARE INTERFERING WITH THE RUNNING OF THE PARTY.THE ACTION TAKEN AGAINST DATUK HARUN BEFORE HIS CASE CAME TO COURT HAD SOMETHING TO DO WITH IT ALSO." THE TUNKU WENT ON TO CITE THAT NOW ONE OF THESE "UNDESIRABLE PEOPLE AROUND UMNO" WHO JAAFAR HAD MENTIONED BY NAME" HAS "BEEN TAKEN IN" (SAMAD ISMAIL). THE TUNKU CONCLUDED ON THE NOTE THAT THE PRIME MINISTER SHOULD TAKE ADVANTAGE OF THE JAAFAR ALBAR'S WISE COUNSEL AND TRUST JAAFAR'S LOYALTY TO THE PARTY AND THE GOVERNMENT.

3. PRIME MINISTER HUSSEIN ONN'S JULY 2 ADDRESS ALSO WAS REPORTED REFTEL. IN A SUBSEQUENT QUESTION/ANSWER PERIOD, THE PM WHEN ASKED WHETHER ARRESTED JOURNALIST SAMAD ISMAIL WAS HIS SPEECH-WRITER, AS REPORTED IN "ASIAWEEK" MAGAZINE, DENIED THIS; THE DENIAL WAS GREETED BY A "BURST OF APPLAUSE," ACCORDING TO ONE PRESS ACCOUNT. (HOWEVER, DEPUTY MINISTER OF WORKS AND UTILITIES DR. GOH CHENG TEIK--PROTECT--TOLD US IN CONFIDENCE JULY 6 THAT TIMING OF ARREST HAD INDEED BEEN FORCED ON GOM BY AN "OUTSIDE SOURCE:" I.E., BY SINGAPORE). IN DEBATING A RESOLUTION URGING THE GOVERNMENT TO MOVE VIGOROUSLY AGAINST ALL COMMUNIST AND SUBVERSIVE ELEMENTS AND THEIR SYMPATHISERS, IRRESPECTIVE OF THEIR POSITIONS IN SOCIETY, SUPPORTERS OF OUSTED YOUTH LEADER

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AND SELANGOR CHIEF MINISTER HARUN LINKED ACTIONS AGAINST HARUN WITH GENERALIZED PLOT OF COMMUNIST SUBVERSION. ONE SPEAKER URGED THE GOVERNMENT TO INVESTIGATE SAMAD ISMAIL'S "MANY CLOSE FRIENDS," WHO HE NOTED INCLUDED "INFLUENTIAL" GOVERNMENT OFFICIALS AND PARTY MEMBERS. THE SPEAKER, AND OTHERS WHO FOLLOWED, COMMENDED HOME AFFAIRS MINISTER GHAZALI SHAFIE FOR HIS "FIRM ACTION" IN MOVING AGAINST SAMAD.

4. DURING JULY 3 SESSION, DATUK HUSSEIN ONN TOLD UMNO MEMBERS THAT THE UMNO SUPREME COUNCIL (UMNO GOVERNING BODY) WOULD STUDY IN DETAIL THE JULY 1 UMNO YOUTH GENERAL ASSEMBLY RESOLUTION CALLING FOR

REINSTATEMENT OF DATUK HARUN IDRIS AS A PARTY MEMBER (PRESS REPORTED THIS ANNOUNCEMENT WAS GREETED BY "ROUSING" APPLAUSE). THE ASSEMBLY ALSO PASSED SEVERAL RESOLUTIONS. THE FIRST OF THESE, MOVED BY DEPUTY MINISTER OF HOUSING AND VILLAGE DEVELOPMENT HAJI RAMLI OMAR, THANKING DATUK HUSSEIN AND HIS CABINET FOR IMPLEMENTING DEVELOPMENT PROJECTS IN THE PAST YEAR AND PLEDGING FULL SUPPORT TO POLICIES THE PM OUTLINED IN HIS ADDRESS. IT ALSO PLEDGED FULL SUPPORT TO THE NATIONAL FRONT GOVERNMENT'S EFFORTS TO BRING ABOUT NATIONAL UNITY AS A BASIS TO ENSURING SECURITY, STABILITY AND PROGRESS; EXPRESSED CONFIDENCE IN THE ABILITY OF THE GOVERNMENT TO IMPLEMENT THE NEW ECONOMIC POLICY; AND HIGHLY COMMENDED THE GOVERNMENT'S "POSITIVE ROLE IN FOREIGN AFFAIRS, PARTICULARLY IN THE CONTEXT OF ASEAN AND MAKING SOUTH-EAST ASIA A ZONE OF PEACE, FREEDOM AND NEUTRALITY." (COMMENT: IN SUM, A RATHER PRO-FORMA CONFIDENCE MOTION). A SECOND RESOLUTION CALLED FOR THE GOVERNMENT TO RESTRUCTURE ITS MACHINERY FOR IMPLEMENTING THE THIRD MALAYSIA FIVE-YEAR PLAN, ESPECIALLY AT THE STATE LEVEL, IN ORDER TO OVERCOME WEAKNESSES EVIDENT IN IMPLEMENTATION OF THE SECOND PLAN. A THIRD RESOLUTION CALLED FOR THE GOVERNMENT TO REVIEW AND REVISE LABOR LAWS, INCLUDING THOSE PERTAINING TO OFFICEHOLDERS IN A TRADE UNION WHO ARE FROM OUTSIDE THE INDUSTRY.

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ACTION EA-09

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

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C O N F I D E N T I A L SECTION 2 OF 2 KUALA LUMPUR 3930

5. ALSO DURING THE JULY 3 SESSION NEW UMNO YOUTH DEPUTY LEADER HAJI SUHAIMI (HARUN'S NEPHEW) STATED UMNO YOUTH WOULD CONTINUE TO SERVE AS A "PRESSURE GROUP" TO CHECK ON "DEVIATIONS AND MALPRACTICES," AND ONE EAST COAST DELEGATE, DATUK ENSKU MOHSEIN KADIR, CAUTIONED THE ASSEMBLAGE AGAINST COMMENCING A "WITCH HUNT" FOR COMMUNIST SUBVERSIVE ELEMENTS ON THE GROUNDS THAT "JUST BECAUSE THERE IS SUSPICION THAT THE COMMUNISTS HAVE INFILTRATED THE GOVERNMENT IT DOES NOT MEAN THAT EVERYBODY THERE IS A COMMUNIST. WE MUST NOT FOLLOW THE CONCEPT OF MCCARTHYISM. WE MUST BE RATIONAL AND NOT OVER-REACT.

6. ON THE FINAL DAY, JULY 4, DATUK HUSSEIN ONN STATED HIS AGREEMENT WITH DATUK MOHSEIN'S WARNING AGAINST OVER-REACTING BY CONDUCTING AN ANTI-COMMUNIST WITCH HUNT, ARGUING THAT "WE HUNT THE COMMUNISTS. WE ARREST THEM. WE NEUTRALIZE THEM. BUT WE SHOULD NOT CONDEMN THE INNOCENT." ALTHOUGH THERE WOULD BE NO COMPROMISE WITH THE COMMUNISTS, NEITHER SHOULD THERE BE VICTIMIZATION, HE INDICATED. ON THE INTERNATIONAL SCENE, CONFIDENTIAL

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DATUK HUSSEIN (ACCORDING TO "NEW STRAITS TIMES" ACCOUNT) SAID THAT "THE COMMUNIST THREAT TO FREE NATIONS LIKE MALAYSIA, BURMA, SOUTH KOREA AND THAILAND WAS A REALITY THAT COULD NOT BE SET ASIDE. THEREFORE, IT WAS THE JOINT RESPONSIBILITY OF THE FREE NATIONS IN THIS AREA TO UNITE TO FACE THE COMMON ENEMY."

7. COMMENTS AND PRELIMINARY CONCLUSIONS. ALTHOUGH MUCH OF WHAT WENT ON BEHIND THE SCENES HAS YET TO SURFACE AND MUCH OF WHAT ALREADY APPEARS ON THE PUBLIC RECORD IS SUBJECT TO VARYING INTERPRETATION, SEVERAL ASPECTS OF THE UMNO PROCEEDINGS DO STAND OUT. FIRST, PRIME MINISTER HUSSEIN ONN WAS UNABLE, IN HIS CAPACITY AS ACTING UMNO PRESIDENT, TO OBTAIN A CLEAR MANDATE FOR HIS LEADERSHIP AND POLICIES AND TO CONSOLIDATE HIS POWER WITHIN THIS MASSIVE ETHNIC-BASED PARTY, WHEREAS, JUST SIX WEEKS AGO HUSSEIN ONN APPEARED WELL ON HIS WAY TO ACCOMPLISHING THESE OBJECTIVES FOLLOWING THE VICTORY OF THE GOVERNMENT-BACKED BERJAYA PARTY IN SABAH STATE ELECTIONS (IN APRIL) AND THE CONVICTION OF DATUK HARUN FOR CORRUPTION (MAY 18 -- SEE KL2833, DTG 180823Z MAY 76). JAAFAR ALBAR'S VICTORY IN UMNO YOUTH CONTEST WAS LATEST IN SERIES

OF REVERSES FOR HUSSEIN ONN AND SUPPORTERS THAT BEGAN WITH JUNE 6 AIR TRAGEDY THAT KILLED BERJAYA CHIEF MINISTER FUAD AND SEVERAL KAY LIEUTENANTS AND CONTINUED WITH SAMAD ISMAIL/IMBROGLIO, WHICH CONTINUES TO BAFFLE OBSERVERS HERE. IN COURSE OF UMNO GENERAL ASSEMBLY ITSELF MOMENTUM APPEARED TO BE WITH ADMINISTRATION CRITICS, AND DATUK HUSSEIN REPORTEDLY WAS RUDELY TREATED AT SEVERAL POINTS IN THE PROCEEDINGS (JEERS SUPPOSEDLY FOLLOWED HIS REMARK THAT THE GOM HAD BEEN INVESTIGATING SAMUD FOR TWO YEARS AND HIS DENIAL THAT ARRESTS WAS PROMPTED ONLY BY OUTSIDE; I.E., SINGAPORE INFLUENCE). SECOND, DESPITE MYTH OF PARTY UNITY, FACTIONAL CLEAVAGES IN UMNO WERE HIGHLIGHTED BY THE PROCEEDINGS. UMNO YOUTH CLEARLY IS DOMINATED BY FIGURES WHOSE OUTLOOK AND INTERESTS VERY WITH THOSE OF DATUK HUSSEIN ONN AND THOSE AROUND HIM (I.E., TRADITIONALISTS IN THE YOUTH--SIC--VERSUS MORE SECULARLY INCLINED MODERNISTS). THIRD, FOR HUSSEIN ONN, THE SITUATION HOWEVER COULD HAVE BEEN WORSE, ESPECIALLY IF HIS CHOICE OF MAHATHIR AS HIS DEPUTY WAS SERIOUSLY QUESTIONED (THE PM'S PRAISE IN JULY 2 ADDRESS FOR GHAFAR BABA, WHO WAS PASSED OVER IN SELECTION
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OF DPM, MAY HAVE DEFUSED THIS ISSUE). ALTHOUGH THE UMNO PROCEEDINGS RAISED DOUBTS ABOUT THE EFFICACY (IN TACTICAL POLITICAL TERMS) OF THE PM'S ALMOST PAINFULLY CANDID AND OPEN STYLE AND DID NOT LEAD TO CONSOLIDATION OF HIS PARTY STANDING, IT IS STILL UNCLEAR WHETHER THESE DEVELOPMENTS MERELY REPRESENT A TEMPORARY SETBACK OR A MORE FUNDAMENTAL EROSION OF HIS UMNO POWER BASE.

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